

Message Text

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E.O. 11652, N/A

TAGS:

SUBJECT: COORDINATED ORGANIZATIONS: SALARY

-- ADJUSTMENT PROCEDURE

REF: USNATO 959

1. WE STRONGLY BELIEVE THAT CCG SALARIES ARE MUCH TOO HIGH COMPARED TO U.S. SALARIES, AND ALSO TOO HIGH COMPARED TO NATIONAL CIVIL SERVICE SALARIES OF MOST IF NOT ALL PARTICIPATING NATIONS. WE CAN NO LONGER JUSTIFY APPROPRIATIONS FOR INCREASES IN THESE INFLATED SALARIES, ESPECIALLY IN THE HIGHER GRADES. IT IS OUR OBJECTIVE TO STOP OR MODERATE THESE INCREASES UNTIL THERE IS A CLOSER RELATIONSHIP TO NATIONAL SALARIES. WE HAVE NOTED, FOR EXAMPLE, THAT A BEGINNING A-7 RECRUITED FROM ABROAD WITH FAMILY, GETS \$48,172 AT CURRENT EXCHANGE RATES INCREASING IN ANNUAL STEPS TO \$57,460, ALL OF WHICH IS TAX-FREE. WE WONDER HOW MANY OFFICIALS FROM PARTICIPATING NATIONS SERVING ABROAD IN THE HIGHEST GRADED POSITIONS RECEIVE

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THAT MUCH AFTER TAXES.

2. THE PRESENT SYSTEM MUST BE FUNDAMENTALLY CHANGED. TO MAKE CCG SALARIES DEFENSIBLE HERE, YOU SHOULD PROPOSE THAT OECD AND NATO SALARIES SHOULD NO LONGER BE TIED TO

SALARIES PAID IN OTHER INTERNATIONAL ORGANIZATIONS BUT THAT A LINK SHOULD BE ESTABLISHED WITH NATIONAL SALARIES OF PARTICIPATING NATIONS. WE ALSO ARE MAKING EVERY EFFORT TO REDUCE THE LEVEL OF SALARIES OF HIGHER LEVEL OFFICIALS IN OTHER INTERNATIONAL ORGANIZATIONS IN WHICH WE ARE MEMBERS. YOU SHOULD ALSO STATE CLEARLY THAT IT IS NO LONGER POSSIBLE FOR US TO ACCEPT THE CONCEPT THAT FULL PURCHASING POWER OF THE HIGH-LEVEL EMPLOYEES TAKE-HOME PAY MUST BE MAINTAINED. AS YOU KNOW, THIS IS NOT THE CASE IN THE US. WE WILL BE PREPARED TO ACCEPT THAT CONCEPT AGAIN IN THE CCG AT SUCH TIME AS PRESENT INFLATED SALARIES ARE BROUGHT INTO LINE WITH NATIONAL LEVELS.

3. AFTER MAKING POINTS OUTLINED ABOVE, YOU CAN SUPPORT CANADIAN PROPOSAL AT CCG MEETING MARCH 2 TO SET UP WORKING GROUP TO DEVELOP MECHANISM AND RULES TO IMPLEMENT THE PRINCIPLE OF "PARALLELISM" WITH NATIONAL CIVIL SERVICE SCALES, WHICH SHOULD SUBMIT ITS REPORT AS SOON AS POSSIBLE, AND IN ANY CASE IN TIME FOR USE IN THE JULY 1976 GENERAL REVIEW. 'E CAN ALSO ACCEPT CANADIAN PROPOSAL GRANTING LESS-THAN-FULL (I.E., ABATED) COL ADJUSTMENT EFFECTIVE JANUARY 1, 1976, TO BE CONSIDERED AS AN ADVANCE ON THE JULY 1976 REVIEW, BUT NOT REPEAT NOT FOR A-4 GRADES AND IGHHER. THE FIRST TASK OF THE WORKING GROUP SHOULD BE TO DEFINE "PARALLELISM," ALONG LINES PROPOSED BY FRENCH REP. (SEE PARA 8 OF USNATO 873). WE WOULD LIKE TO HAVE "PARALLELISM" DEFINED TO MEAN SAME SALARIES FOR CCG AS AVERAGE OF NATIONAL SALARIES.

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